GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:61
ANSWERED ON:17.02.2006
TRANSFER OF UNVIABLE TEXTILE MILLS
Dhanaraju Dr. K.

Will the Minister of TEXTILES be pleased to state:

(a)Whether a potentially unviable Swadeshi Cotton Mill was transferred to Government of Pondicherry to run it and make viable ;

(b) If so, the details thereof alongwith the present status of the mill with reference to profit/loss; and

(c) The steps taken to ensure that the mill becomes viable and profit making unit?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGOVAN)

(a) to (c): Swadeshi Cotton Mills, Pondicherry identified as unviable based on a Techno Economic Viability Study done by South India Textile Research Association (SITRA), was transferred to Govt of Pondicherry w.e.f. 01.04.2005 after offering Modified Voluntary Retirement Scheme (MVRS) to 206 employees, along with all assets and employees for a consideration amount of Rs.22.61 crores.

The management of the mill since then is vested with the Govt. of Pondicherry which is taking appropriate steps to revive the mills.